

# STATE OF COLORADO

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## Colorado Water Conservation Board Department of Natural Resources

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TO: Colorado Water Conservation Board Members

FROM: Anna Mauss, P.E., Project Manager  
Kirk Russell, P.E., Chief  
Finance Section

DATE: March 7, 2014

SUBJECT: **Consent Agenda Item 4a, March 18-19, 2014 Board Meeting**  
**Finance – Change to Existing Loan**  
**Bellyache Ridge Metropolitan District – Well Replacement Project**

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John W. Hickenlooper  
Governor

Mike King  
DNR Executive Director

James Eklund  
CWCB Director

### Introduction

The Bellyache Ridge Metropolitan District (District) is requesting a change in the loan for the Well Replacement Project (Project). In July of 2013, the CWCB approved a loan to the District for \$169,175 CWCB loan (50% of the total Project cost). The District is requesting that the loan be made to the Bellyache Ridge Water Enterprise rather than the District itself. It is also requesting a change in collateral from mill levy revenues to user fees. See attached Project Data Sheet for a location map and a Project summary.

### Staff Recommendation

Staff recommends amending the recommendation on the loan approved on July 17, 2013 to read:

Staff recommends the Board approve a loan not to exceed \$169,175 (\$167,500 for Project costs and \$1,675 for the 1% Loan Service Fee) to the Bellyache Ridge Water Enterprise, for the Well Replacement Project from the Construction Fund. The loan terms shall be 30 years at the municipal high income rate of 3.0% per annum. Security for the loan shall be a pledge of the Water Enterprise user fees and rates, which is in compliance with CWCB Financial Policy #5.

cc: Larry Berkowitz, Bond Counsel, Spencer Fane & Grimshaw, LLP  
Susan Schneider/Jennifer Mele, Colorado Attorney General's Office

Attachment: Water Project Loan Program – Project Data Sheet

**CWCB Water Project Loan Program  
Project Data Sheet**

**Borrower:** Bellyache Ridge Water Enterprise

**County:** Eagle

**Project Name:** Well Replacement Project

**Project Type:** Well Drilling

**Drainage Basin/ District:** Colorado / 37

**Water Source:** Groundwater

**Total Project Cost:** \$355,000

**Funding Source:** Construction Fund/  
DOLA Energy and Mineral Impact  
Assistance Fund

**Type of Borrower:** Municipal (High)

**Average Annual Diversion:** 11 AF

**CWCB Loan:** \$169,175  
(with 1% Service Fee)

**Interest Rate:** 3.0% **Term:** 30 years

The District is located in Eagle County approximately six miles west of Edwards, Colorado. The District's water system includes three wells that fill two storage tanks. From January through March of 2013, the District had to haul in water because declining well production was not able to keep up with demands. Spring storms recharged the groundwater supply such that the District has not hauled water since March, but unless a new well is drilled hauling water will likely be required in the future. A new replacement well will be drilled as soon as funding is available.

